

HOUSE BILL 675

Unofficial Copy  
C3  
SB 496/00 - FIN

2001 Regular Session  
11r0386  
CF 11r0385

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By: **Delegate Goldwater**

Introduced and read first time: February 7, 2001

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 2001

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Health Insurance - Treatment of Morbid Obesity**

3 FOR the purpose of requiring certain insurers, nonprofit health service plans, health  
4 maintenance organizations, and managed care organizations, ~~and carriers~~ to  
5 provide coverage ~~for the expenses incurred by certain obese patients~~ for surgical  
6 treatment ~~under certain circumstances; authorizing certain benefits to be~~  
7 ~~provided through a managed care system; of morbid obesity as recognized by a~~  
8 certain entity; requiring the coverage of morbid obesity to be provided to the  
9 same extent as other medically necessary surgical procedures; defining certain  
10 terms; providing for the application of this Act; and generally relating to  
11 coverage of ~~expenses for~~ surgical treatment of morbid obesity under health  
12 insurance.

13 BY adding to  
14 Article - Insurance  
15 Section 15-837  
16 Annotated Code of Maryland  
17 (1997 Volume and 2000 Supplement)

18 BY adding to  
19 Article - Health - General  
20 Section 19-706(rr)  
21 Annotated Code of Maryland  
22 (2000 Replacement Volume)

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## Preamble

2 WHEREAS, Obesity is a significant health problem affecting hundreds of  
3 thousands of Maryland residents; and

4 WHEREAS, Severe or morbid obesity increases the mortality rate more than  
5 threefold, causes physical and emotional disability, is often associated with comorbid  
6 conditions compounding its adverse impact on longevity and quality of life, and is  
7 amenable to established surgical treatment; and

8 WHEREAS, Like other chronic diseases, obesity is caused or aggravated by  
9 many factors including genetics, behavior, metabolism, and environment, certain  
10 therapeutic interventions can alter its course and severity, and therefore, obesity  
11 should be treated for purposes of insurance like other medical conditions; and

12 WHEREAS, Health insurance policies commonly exclude coverage for the  
13 treatment of obesity, even when severe or morbid and complicated by comorbid  
14 conditions; now, therefore,

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17

**Article - Insurance**

18 15-837.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
20 INDICATED.

21 (2) "BODY MASS INDEX" MEANS A PRACTICAL MARKER THAT IS USED TO  
22 ASSESS THE DEGREE OF OBESITY AND IS CALCULATED BY DIVIDING THE WEIGHT IN  
23 KILOGRAMS BY THE HEIGHT IN METERS SQUARED.

24 ~~(3) "MANAGED CARE SYSTEM" MEANS A METHOD THAT AN INSURER,  
25 NONPROFIT HEALTH SERVICE PLAN, OR HEALTH MAINTENANCE ORGANIZATION  
26 USES TO REVIEW AND PREAUTHORIZE A TREATMENT PLAN THAT A HEALTH CARE  
27 PRACTITIONER DEVELOPS FOR A COVERED PERSON USING A VARIETY OF COST  
28 CONTAINMENT METHODS TO CONTROL UTILIZATION, QUALITY, AND CLAIMS.~~

29 ~~(4) (3) "MORBID OBESITY" MEANS A BODY MASS INDEX GREATER  
30 THAN 40 KILOGRAMS PER METER SQUARED OR EQUAL TO OR GREATER THAN 35  
31 KILOGRAMS PER METER SQUARED WITH COMORBIDITY OR COEXISTING MEDICAL  
32 CONDITIONS, INCLUDING HYPERTENSION, CARDIOPULMONARY CONDITIONS, SLEEP  
33 APNEA, OR DIABETES.~~

34 (B) THIS SECTION APPLIES TO:

35 (1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE  
36 HOSPITAL, MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS ON AN

1 EXPENSE-INCURRED BASIS UNDER HEALTH INSURANCE POLICIES OR CONTRACTS  
2 THAT ARE ISSUED OR DELIVERED IN THE STATE;

3 (2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE HOSPITAL,  
4 MEDICAL, OR SURGICAL BENEFITS TO INDIVIDUALS OR GROUPS UNDER CONTRACTS  
5 THAT ARE ISSUED OR DELIVERED IN THE STATE; AND

6 (3) MANAGED CARE ORGANIZATIONS, AS DEFINED IN § 15-101 OF THE  
7 HEALTH - GENERAL ARTICLE; ~~AND~~

8 ~~(4) CARRIERS THAT OFFER HEALTH BENEFIT PLANS UNDER TITLE 15,~~  
9 ~~SUBTITLE 12 OF THE INSURANCE ARTICLE.~~

10 (C) ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION,~~ AN ENTITY SUBJECT TO  
11 THIS SECTION SHALL PROVIDE COVERAGE FOR THE ~~EXPENSES INCURRED BY A~~  
12 ~~PATIENT WITH MORBID OBESITY FOR ESTABLISHED SURGICAL TREATMENT IF:~~  
13 TREATMENT OF MORBID OBESITY THROUGH GASTRIC BYPASS SURGERY OR  
14 ANOTHER SURGICAL METHOD THAT IS:

15 (1) RECOGNIZED BY THE NATIONAL INSTITUTES OF HEALTH AS  
16 EFFECTIVE FOR THE LONG-TERM REVERSAL OF MORBID OBESITY; AND

17 (2) CONSISTENT WITH CRITERIA APPROVED BY THE NATIONAL  
18 INSTITUTES OF HEALTH.

19 ~~(1) ALL NONSURGICAL MEDICAL THERAPIES, AS DETERMINED BY THE~~  
20 ~~PHYSICIAN, HAVE FAILED; AND~~

21 ~~(2) THE BODY MASS INDEX OF THE PATIENT EXCEEDS:~~

22 ~~(I) 40 KILOGRAMS PER METER SQUARED; OR~~

23 ~~(II) 35 KILOGRAMS PER METER SQUARED IN THE PRESENCE OF~~  
24 ~~HYPERTENSION, DIABETES, HIGH LDL CHOLESTEROL, LOW HDL CHOLESTEROL,~~  
25 ~~HYPERTRIGLYCERIDEMIA, SLEEP APNEA SYNDROME, OSTEOARTHRITIS, OR OTHER~~  
26 ~~MEDICAL CONDITIONS CONSIDERED BY A PHYSICIAN POTENTIALLY REMEDIABLE BY~~  
27 ~~SIGNIFICANT WEIGHT REDUCTION.~~

28 (D) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE THE BENEFITS  
29 REQUIRED UNDER THIS SECTION TO THE SAME EXTENT AS ~~FOR ANY OTHER~~  
30 MEDICAL CONDITION MEDICALLY NECESSARY SURGICAL PROCEDURES UNDER THE  
31 ENROLLEE'S OR INSURED'S CONTRACT OR POLICY WITH THE ENTITY.

32 ~~(E) AN ENTITY SUBJECT TO THIS SECTION MAY PROVIDE THE BENEFITS~~  
33 ~~REQUIRED UNDER THIS SECTION THROUGH A MANAGED CARE SYSTEM.~~

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**Article - Health - General**

2 19-706.

3 (RR) THE PROVISIONS OF § 15-837 OF THE INSURANCE ARTICLE APPLY TO  
4 HEALTH MAINTENANCE ORGANIZATIONS.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
6 policies, contracts, and health benefit plans issued, delivered, or renewed in the State  
7 on or after October 1, 2001.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2001.